



**House
Legislative
Analysis
Section**

House Office Building, 9 South
Lansing, Michigan 48909
Phone: 517/373-6466

**TERRORIST ORGANIZATIONS:
SEIZE FUNDS**

House Bill 5516
Sponsor: Rep. Dale Sheltrown

House Bill 5517
Sponsor: Rep. Mary D. Waters

House Bill 5518
Sponsor: Rep. William McConico

House Bill 5519
Sponsor: Rep. Glenn S. Anderson

**Committee: Insurance and Financial
Services**

Complete to 2-25-02

A SUMMARY OF HOUSE BILLS 5516-5519 AS INTRODUCED 12-12-01

The bills would amend various laws to allow a financial institution to freeze all funds and assets deposited with or held by the financial institution on behalf of any person or organization that had received a terrorist designation under the federal Immigration and Nationality Act.

Upon application by the attorney general, a court could order a financial institution to freeze the funds and assets it held on behalf of an account holder that the attorney general had probable cause to believe had committed or was about to commit a terrorist act. Assets and funds of an account holder could also be frozen if the account holder were involved with providing material support or resources to another person who had committed or was about to commit a terrorist act.

The bill would define “material support or resources” as any kind of financial support, lodging, training, false documentation, communication equipment, weapons, transportation, or any other asset or resource.” A “terrorist act” would mean “any unlawful act involving the use of any weapon, device, or instrument to cause injury or damage to persons or property for political or financial gain or to cause the impairment or interruption of public communications, transportation, utilities, or any other public service.”

House Bill 5516 would amend the Banking Code (MCL 487.14406). House Bill 5517 would similarly amend Public Act 285 of 1925 (MCL 490.16c), which regulates credit unions, and House Bill 5518 would amend the Savings and Loan Act (MCL 491.1135). House Bill 5519 would amend the Savings Bank Act (MCL 287.3514).

Analyst: S. Stutzky

■ This analysis was prepared by nonpartisan House staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.